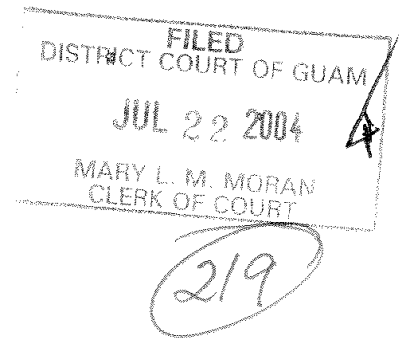


JOAQUIN C. ARRIOLA
ANITA P. ARRIOLA
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259 Martyr Street, Suite 201
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Counsel for Plaintiffs Alan Sadhwani, et al.

IN THE UNITED STATES
DISTRICT COURT OF GUAM

ALAN SADHWANI, LAJU)
SADHWANI, and K. SADHWANI'S)
INC., a Guam corporation,)
Plaintiffs,)
vs.)
HONGKONG AND SHANGHAI)
BANKING CORPORATION, LTD., a)
Foreign corporation, JOHN DOE I)
through JOHN DOE X,)
Defendants.)

CIVIL CASE NO. 03-00036

DECLARATION OF JACQUELINE
T. TERLAJE IN SUPPORT OF EX
PARTE MOTION FOR
PROTECTIVE ORDER RE:
Deposition of Laju Sadhwani;
CERTIFICATE OF COUNSEL
(L.R. 7.1(j)(1))

JACQUELINE T. TERLAJE, being duly sworn, depose and say:

1. I am one of the attorneys for the plaintiffs Alan Sadhwani, et al. in the above-entitled case. I make this Declaration in support of Plaintiffs' Ex Parte Motion for Protective Order. I have personal knowledge of the facts contained herein.
2. On Friday, July 16, at about 2:50 P.M. our office was served with Notice to Take the Deposition of Laju Sadhwani ("Notice") for 9:00 a.m. July 27, 2004.
3. Prior to receiving the Notice, I received no communication attempting to schedule the time, place and date for the taking of the Deposition of Mrs. Sadhwani, pursuant to Local Rule 30.1(b), for July 27, 2004.

ORIGINAL

4. On July 22, 2004, I wrote a letter to Mr. Pipes informing him that we intended to file an Ex Parte Application for Protective Order to reschedule the deposition. I provided several alternatives within a two week period for the rescheduling of the deposition. A true and correct copy of the letter dated July 22, 2004 is attached hereto as Exhibit 1.

5. On July 22, 2004, I received a letter from Mr. Pipes refusing to reschedule the deposition of Mrs. Sadhwani despite the reasonable alternative schedules provided. A true and correct copy of the letter dated July 22, 2004 is attached hereto as Exhibit 2.

6. Based on counsel's refusal to a reasonable request to reschedule the deposition of Mrs. Sadhwani, it was necessary to file the application for protective order. Plaintiffs respectfully request that the Court issue a Protective Order and Order the rescheduling of the deposition of Laju Sadhwani. HSBC intends to oppose the ex parte application and requests to be present at a hearing on the motion

I declare under penalty of perjury under the laws of the United States and the laws of Guam that the foregoing is true and correct.

Dated this 22nd day of July, 2004.



JACQUELINE T. TERLAJE

Law Offices

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Jacqueline T. Terlaje

July 22, 2004

VIA FACSIMILE: (671) 647-7671

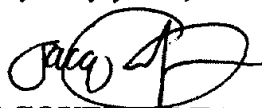
Richard Pipes, Esq.
Bronze & Tang, P.C.
2nd Floor, BankPacific Building
825 S. Marine Drive
Tamuning, Guam 96913

**Re: Sadhwani et al. v. Hongkong Shanghai Banking Corporation, Ltd., et.al,
District Court of Guam, Civil Case No. CV03-00036**

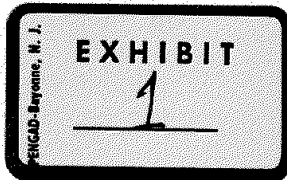
Dear Richard:

This is a follow-up on our letter dated today's date confirming that we intend to file an ex parte application to reschedule Mrs. Sadhwani's deposition to a date after July 28, 2004. I would note that prior to receiving your notice of deposition, no attempt was made by either your or Jacques to schedule the deposition. Moreover, in the past few months, we have accommodated several requests to reschedule your clients' depositions. Additionally, Jacques agreed to grant reasonable requests for rescheduling of our clients' depositions in letter dated June 23, 2004. Additionally, Jacques had previously represented to Anita that he would be conducting the deposition of Mrs. Sadhwani in August. We would propose the following dates for possible rescheduling based on the current deposition schedule: August 5, 6, or 11. Please respond no later than **12:00 p.m. today**. If we do not receive a response, we will file the ex parte application to reschedule.

Very truly yours,



JACQUELINE TAITANO TERLAJE



FAXED
7/22/04

Law Offices Of
Richard A. Pipes
BankPacific Building, Suite 201
825 South Marine Drive
Tamuning, Guam 96913
Phone-(671)646-2001, Fax-(671)647-7671
E-mail: pipeslaw@guam.net

July 21, 2004

VIA FACSIMILE

Joaquin C. Arriola, Esq.
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Hagatna, Guam 96910

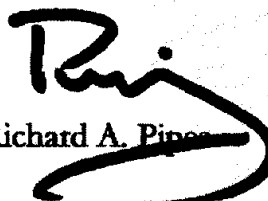
Re: Sadhwani, et al. v. HSBC

Dear Mr. Arriola and Ms. Terlaje:

I am in receipt of your letters dated July 22, 2004, regarding the noticed deposition for Laju Sadhwani.

Should you file an ex parte application, please be advised that HSBC objects to the application and underlying motion to change the date of Laju Sadhwani's deposition and requests that you specifically advise us and provide adequate notice of the time and date when the application will be presented so that we may be present and put our objections on the record. Further, we do not consent to the shortening of time on any underlying motion related thereto.

Sincerely,


Richard A. Pipes

cc: Chris Underwood

RAP/nsh/HSBC/ar

